

**ASSEMBLY BILL**

**No. 1344**

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**Introduced by Assembly Member Mansoor**

February 22, 2013

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An act to amend Section 7072 of the Government Code, relating to enterprise zones.

LEGISLATIVE COUNSEL'S DIGEST

AB 1344, as introduced, Mansoor. Enterprise zones.

The Enterprise Zone Act provides for the designation of zones according to specified criteria, pursuant to which certain entities within each zone may receive regulatory, tax, and other incentives for economic and employment development and private investment. Existing law provides definitions for the purposes of the act.

This bill would make a technical, nonsubstantive change to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 7072 of the Government Code is amended
- 2 to read:
- 3 7072. For purposes of this chapter, the following definitions
- 4 shall apply:
- 5 (a) "Department" means the Department of Housing and
- 6 Community Development.
- 7 (b) "Date of original designation" means the earlier of the
- 8 following:

1 (1) The date the eligible area receives designation as an  
2 enterprise zone by the department pursuant to this chapter.

3 (2) In the case of an enterprise zone deemed designated pursuant  
4 to subdivision (e) of Section 7073, the date the enterprise zone or  
5 program area received original designation by the former Trade  
6 and Commerce Agency pursuant to Chapter 12.8 (commencing  
7 with Section 7070) or Chapter 12.9 (commencing with Section  
8 7080), as those chapters read prior to January 1, 1997.

9 (c) “Eligible area” means any of the following:

10 (1) An area designated as an enterprise zone pursuant to Chapter  
11 12.8 (commencing with Section 7070), as it read prior to January  
12 1, 1997, or as a targeted economic development area, neighborhood  
13 development area, or program area pursuant to Chapter 12.9  
14 (commencing with Section 7080), as it read prior to January 1,  
15 1997.

16 (2) A geographic area that, based upon the determination of the  
17 department, fulfills at least one of the following criteria:

18 (A) The proposed geographic area meets the Urban Development  
19 Action Grant criteria of the United States Department of Housing  
20 and Urban Development.

21 (B) The area within the proposed eligible area has experienced  
22 plant closures within the past two years affecting more than 100  
23 workers.

24 (C) The city or county has submitted material to the department  
25 for a finding that the proposed geographic area meets criteria of  
26 economic distress related to those used in determining eligibility  
27 under the Urban Development Action Grant Program and is  
28 therefore an eligible area.

29 (D) The area within the proposed zone has a history of  
30 gang-related activity, whether or not crimes of violence have been  
31 committed.

32 (3) A geographic area that meets at least two of the following  
33 criteria:

34 (A) The census tracts within the proposed eligible area have an  
35 unemployment rate not less than 3 percentage points above the  
36 statewide average for the most recent calendar year as determined  
37 by the Employment Development Department.

38 (B) The county of the proposed eligible area has more than 70  
39 percent of the children enrolled in public school participating in  
40 the federal free lunch program.

1 (C) The median household income for a family of four within  
2 the census tracts of the proposed eligible area does not exceed 80  
3 percent of the statewide median income for the most recently  
4 available calendar year.

5 (d) "Enterprise zone" means any area within a city, county, or  
6 city and county that is designated as an enterprise zone by the  
7 department in accordance with Section 7073.

8 (e) "Governing body" means a county board of supervisors or  
9 a city council, as appropriate.

10 (f) "G-TEDA" means a geographically targeted economic  
11 development area, which is an area designated as an enterprise  
12 zone, a ~~Manufacturing Enhancement Area~~, *manufacturing*  
13 *enhancement area*, a targeted tax area, or a local agency military  
14 base recovery area.

15 (g) "High-technology industries" includes, but is not limited to,  
16 the computer, biological engineering, electronics, and  
17 telecommunications industries.

18 (h) "Resident," unless otherwise defined, means a person whose  
19 principal place of residence is within a targeted employment area.

20 (i) (1) "Targeted employment area" means an area within a  
21 city, county, or city and county that is composed solely of those  
22 census tracts designated by the United States Department of  
23 Housing and Urban Development as having at least 51 percent of  
24 its residents of low- or moderate-income levels, using either the  
25 most recent United States Department of Census data available at  
26 the time of the original enterprise zone application or the most  
27 recent census data available at the time the targeted employment  
28 area is designated to determine that eligibility. The purpose of a  
29 "targeted employment area" is to encourage businesses in an  
30 enterprise zone to hire eligible residents of certain geographic areas  
31 within a city, county, or city and county. A targeted employment  
32 area may be, but is not required to be, the same as all or part of an  
33 enterprise zone. A targeted employment area's boundaries need  
34 not be contiguous. A targeted employment area does not need to  
35 encompass each eligible census tract within a city, county, or city  
36 and county. The governing body of each city, county, or city and  
37 county that has jurisdiction of the enterprise zone shall identify  
38 those census tracts whose residents are in the most need of this  
39 employment targeting. Only those census tracts within the  
40 jurisdiction of the city, county, or city and county that has

1 jurisdiction of the enterprise zone may be included in a targeted  
2 employment area.

3 (2) At least a part of each eligible census tract within a targeted  
4 employment area shall be within the territorial jurisdiction of the  
5 city, county, or city and county that has jurisdiction for an  
6 enterprise zone. If an eligible census tract encompasses the  
7 territorial jurisdiction of two or more local governmental entities,  
8 all of those entities shall be a party to the designation of a targeted  
9 employment area. However, any one or more of those entities, by  
10 resolution or ordinance, may specify that it shall not participate in  
11 the application as an applicant, but shall agree to complete all  
12 actions stated within the application that apply to its jurisdiction,  
13 if the area is designated.

14 (3) Each local governmental entity of each city, county, or city  
15 and county that has jurisdiction of an enterprise zone shall approve,  
16 by resolution or ordinance, the boundaries of its targeted  
17 employment area, regardless of whether a census tract within the  
18 proposed targeted employment area is outside the jurisdiction of  
19 the local governmental entity.

20 (4) (A) Within 180 days of updated United States census data  
21 becoming available, each local governmental entity of each city,  
22 county, or city and county that has jurisdiction of an enterprise  
23 zone shall approve, by resolution or ordinance, boundaries of its  
24 targeted employment area reflecting the new census data. If no  
25 changes are necessary to the boundaries based on the most current  
26 census data, the enterprise zone may send a letter to the department  
27 stating that a review has been undertaken by the respective local  
28 governmental entities and no boundary changes are required.

29 (B) A targeted employment area boundary approved prior to  
30 the 2000 United States census data becoming available that has  
31 not been reviewed and its boundaries revised to reflect the most  
32 recent census data, shall be reviewed and updated, and a new  
33 resolution or ordinance submitted by the appropriate local  
34 governmental entity to the department, by July 1, 2007. However,  
35 enterprise zones that expire on or prior to December 31, 2008,  
36 shall be exempt from the update requirement.